GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4073
ANSWERED ON:23.03.2001
LOANS TO FARMERS
PRABHUNATH SINGH;RAMJI MANJHI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether a provision for grant of loans to the farmers under the cane development schemes for procuring inputs like fertilizers, seeds and pesticides for the cultivation of sugarcane was incorporated in the SDF Rules, 1983 on November 21, 1997 but the same was operational only upto March 31, 1998 and thereafter no loan has been disbursed;

(b) if so, the reasons for not disbursing any loans after March 31, 1998;

(c) the steps taken to reopen the grant of loans to help the farmers to increase the sugarcane production; and

(d) the sugarcane production in each of the last three years and how does that compare with the preceding three years of sugarcane production?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION(SHRI V. SREENIVASA PRASAD)

(a) & (b) : A provision in the Sugar Development Fund Rules, 1983 was incorporated vide notification dated 21.11.1997 for sanctioning loan to a sugar undertaking (and not to the sugarcane growers/farmers) for purchase of seeds, fertilizers and pesticides. This provision was made in the SDF Rules to extend financial assistance to the sugar mills when the sugarindustry was facing problem of liquidity and resource mobilization. Applications from the sugar undertakings for sanction of loan under this provision were allowed to be received upto 31.3.1998. Loans under this provision were disbursed in the financial years 1998-99 to 2000-2001.

(c) In terms of the Sugar Development Fund Rules, 1983 the regular cane development loans can be availed from the SDF by the sugar undertakings under which a larger number of components are eligible for assistance. Besides the loan has a moratorium of 3 years and thereafter repayment in 4 equal annual instalments. The maximum amount of loan permissible i.e. Rs.3.00 crores is also substantially higher than the short term loans.

(d) The sugarcane production in the country during the last six years is indicated below:

(lakhs tonnes)

1994-95	2755.40
1995-96	2811.00
1996-97	2775.60
1997-98	2795.41
1998-99	2887.22
1999-2000	2992.27